

## Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 02865 220434Z  
ACTION EB-08

INFO OCT-01 EA-10 ISO-00 AGRE-00 CEA-01 CIAE-00  
COME-00 DODE-00 FRB-03 H-01 INR-10 INT-05 L-03  
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15  
STR-07 ITC-01 TRSE-00 USIA-06 SP-02 SOE-02 OMB-01  
DOE-11 IO-13 /115 W

-----112662 220442Z/14

P 220354Z FEB 78  
FM AMEMBASSY MANILA  
TO SECSTATE WASHDC PRIORITY 2005

LIMITED OFFICIAL USE MANILA 2865

E.O. 11652: N/A  
TAGS: MFN, RP  
SUBJECT: US TARIFF CUTTING OFFER TO PHILIPPINES

REF: (A) STATE 033133, (B) MANILA 2467

1. WE LOOK FORWARD TO RECEIVING ANALYSIS MENTIONED PARA 3,  
REFTEL, AND HOPE THAT IT WILL ADDRESS PHILIPPINE SITUATION  
DIRECTLY RATHER THAN COMMENTING ON MTN IN REGIONAL OR WORLD-  
WIDE TERMS.

2. NEGOTIATIONS ON COCONUT OIL AND PLYWOOD ARE OF SPECIAL  
INTEREST TO US BECAUSE THESE TARIFFS ARE VERY LONG-STANDING,  
EMOTIONAL ISSUES WHICH, FOR FILIPINOS, RECALL US-PHILIPPINE  
TRADE PATTERNS OF PRE-INDEPENDENCE AND LAUREL-LANGLEY DAYS.  
U.S. TARIFF TREATMENT OF THESE ITEMS HAD REPEATEDLY AND WILL  
AGAIN, RECEIVE CLOSE ATTENTION AT THE HIGHEST LEVELS OF  
GOP. THUS, WE APPRECIATE OUTLINE OF U.S. POSITION ON THESE  
TWO PRODUCTS CONTAINED PARA 1, REFTEL.

3. WE PARTICULARLY APPRECIATE BEING FORWARDED THAT THE  
ONE CENT PER POUND DUTY ON COCONUT OIL CANNOT BE RE-  
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PAGE 02 MANILA 02865 220434Z

DUCED TO ZERO BECAUSE AD VALORUM EQUIVALENT (AVE) OF  
1 CENT/LB IS 5.8 PERCENT. WE WOULD ALSO APPRECIATE  
EXPLANATION OF FORMULA USED TO CALCULATE AVE OF 5.8  
PERCENT. PLEASE NOTE THAT BOTH "TRADE POLICY STAFF  
COMMITTEE, ACTION RECORD, DOCUMENT 76-2 OF JANUARY 16,  
1976", LIST RATE OF DUTY OF COCONUT OIL (176.04) AS  
2.4 PERCENT. EMBASSY DOES NOT KEEP COMPLETE RECORDS OF

COCONUT OIL PRICES, BUT OUR INITIAL SURVEY SEEMS TO INDICATE THAT PRICES OVER RECENT YEAR HAVE BEEN HIGH ENOUGH TO BRING 1 CENT/LB DUTY BELOW 5 PERCENT AVE. PLEASE ADVISE.  
STULL

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NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** OILS, TARIFFS, PLYWOOD  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 feb 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978MANILA02865  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780079-0468  
**Format:** TEL  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1978/newtext/t19780229/aaaaaxwx.tel  
**Line Count:** 67  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** d8222bd2-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 33133, 78 MANILA 2467  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 04 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3523457  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** US TARIFF CUTTING OFFER TO PHILIPPINES  
**TAGS:** ETRD, EPAP, RP, US  
**To:** STATE  
**Type:** TE  
**vdkvgwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/d8222bd2-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
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